

CITY OF MCMINNVILLE
MINUTES OF JOINT DINNER MEETING
Of the McMinnville City Council and the Airport Commission
Held at the Civic Hall on Gormley Plaza
McMinnville, Oregon

Tuesday, April 8, 2014 at 5:30 p.m.

Presiding: Rick Olson, Mayor

Recording: Rose A. Lorenzen, Recording Secretary

Councilors: Present

Scott Hill (6:30 p.m.)	Kellie Menke
Kevin Jeffries	Alan Ruden
Paul May	Larry Yoder

Commission: Present

Andy Benedict	Doug Hurl
Brad Berry	John Lautenbach
Jody Christensen	Joe Mollahan

Also present were City Manager Kent L. Taylor, City Attorney Candace A. Haines, Community Development Director Mike Bisset, Planning Director Doug Montgomery, Airport Manager Graham Goad, Engineering Services Manager Rich Spofford, Police Captain Matt Scales, and a member of the news media, Nicole Montesano of the *News Register*.

DINNER

CALL TO ORDER: Mayor Olson called the Joint Meeting of the McMinnville City Council and the McMinnville Airport Commission to order at 5:30 p.m. and welcomed all in attendance. Each of the Councilors and Commission members introduced him/her self.

AIRPORT COMMISSION ACTIVITIES UPDATE: Commission Chair Christensen called the Airport Commission to order and gave a brief update on activities at the airport. She noted that the McMinnville Airport is one of nine regional airports and the third busiest in Oregon. She advised that the Commission has been busy reviewing and recommending airport land leases. Additionally, their primary focus these past few months has been on the review and update of Chapter 11 of the Municipal Code. She thanked Councilor Ruden for his work as the Council's liaison to the Airport Commission.

Ms. Christensen reported that the Evergreen property adjacent to the Airport is getting quite a bit of attention. She pointed out that this was an extraordinary opportunity to take a look at a potential of six new businesses. The buildings are beautifully appointed, contemporary, and nestled next to the Airport.

MAIN RUNWAY REHAB PROJECT AND CONNECT OREGON V GRANT APPLICATION: Community Development Director Bisset advised that staff is working on a significant project to reconstruct the main runway and to replace the main runway lighting at the airport. This will be about a \$7.9 million project, which

the Federal Aviation Administration (FAA) has stated is the highest priority project at the airport. The FAA has been working with City staff to assist with obtaining federal funds for this project. The City's matching funds will be approximately \$800,000. The City completed a grant application for the matching funds last fall via the Connect Oregon V Grant. These are lottery backed funds and the grants cover air, rail, marine, bicycle, and pedestrian projects. The City's grant application received a score of 43 out of 50 points, which puts the grant application in the top tier of four grant tiers. In Step Two of the process, the City's grant went before the Department of Aviation and the Aviation Board. It came out of that review ranked fourth. The next step in the grant process is the Regional Review by the Area Commissions on Transportation (ACT) - Mid Willamette Valley ACT. It will compete with 11 other projects in our area, and is the only aviation project. Following completion of the ACT's work, all of the regions will get together and rank the list. He noted that since the City's grant ranked so high, if it doesn't get a top regional ranking, the State of Oregon will assist us in our project. The State will review the applications at the Oregon Department of Transportation meeting in June. He pointed out that construction on the project is not scheduled to begin until 2016; however, there is environmental work to be done this year.

ROUND TABLE DISCUSSION: The Round Table discussion focused on a new terminal building and how funding might be obtained for the project. City Manager Taylor cautioned that in order for a new building to be constructed, there will eventually need to be voter approval of a bond measure dedicated to that purpose. Several ideas surfaced for potential funding of a new building. It was noted that there is a difference between a terminal building and a "fixed base operator" (FBO). There could be more than one FBO in operation at the airport, and one could function as a terminal building. Ms. Christensen noted that there needs to be an understanding of the capacity of the airport because there is more to it than just the building - the building is just one piece of the puzzle. Perhaps there is a need to step back and ask what kinds of businesses the airport might attract. There was agreement on the need to step back and plan for the future. Commissioner Berry pointed out that when professional people move forward, they need a "plan-full" assessment of the need, the benefits, and the priorities.

City Manager Taylor reminded all that there is an Airport Master Plan in place and that it might be time to update the Plan. Currently the airport generates just enough money to sustain itself. What reserves the City has managed to maintain have been put back into the airport.

Following further discussion, Mayor Olson suggested that the Council and the Airport Commission meet again in the fall to further discuss whether an updated Airport Master Plan should be considered.

ADJOURNMENT: Airport Commission Chair Christensen thanked the City Council for the opportunity to meet and adjourned the Airport Commission at 6:45 p.m.

Mayor Olson adjourned the Joint Work Session at 6:45 p.m.

Rose A. Lorenzen, Recording Secretary

CITY OF MCMINNVILLE
MINUTES OF REGULAR MEETING of the McMinnville City Council
Held at the Civic Hall on Gormley Plaza
McMinnville, Oregon

Tuesday, April 8, 2014 at 6:00 p.m.

Presiding: Rick Olson, Mayor

Recording: Rose A. Lorenzen, Recording Secretary

Councilors: Present

Scott Hill	Kellie Menke
Kevin Jeffries	Alan Ruden
Paul May	Larry Yoder

Also present were City Manager Kent L. Taylor, City Attorney Candace A. Haines, Community Development Director Mike Bisset, Planning Director Doug Montgomery, Police Captain Matt Scales, Public Works Superintendent David Renshaw, and a member of the news media, Nicole Montesano of the *News Register*.

AGENDA ITEM

CALL TO ORDER: Mayor Olson called the meeting to order at 7:00 p.m. and welcomed those in attendance.

PLEDGE OF ALLEGIANCE: Councilor Hill led in the recitation of the Pledge of Allegiance.

1 INTERVIEWS OF CITY MANAGER RECRUITMENT FIRMS: Mayor Olson reminded the City Council that City Manager Taylor would be retiring at the end of November this year and that the Council had determined that it would be in the best interest of the City to hire an outside consultant to assist in recruiting the new City Manager. He advised that two organizations had been invited to this meeting to discuss how they might assist in recruiting for this position. He stated that Nancy Boyer from the Mid-Willamette Valley Council of Governments (COG) was in attendance, along with Greg Prothman of Prothman Company. He first invited Nancy Boyer to discuss the COG's ability to assist in this matter.

Ms. Boyer stated that in the past seven years since she took over the Executive Directorship of the COG, she has facilitated a number of City Manager recruitments. She advised that she was an active member of the Oregon City Managers Association (OCMA) and the International City Managers Association (ICMA) and that earlier in her career she served as the Assistant City Manager and the Interim City Manager in Newport. She also served in the capacity of Human Resources Manager.

In response to questions from the Council, Ms. Boyer explained how she would go about setting up the recruitment, how she would "sell" the City of McMinnville, and how she would incorporate the community and staff into the recruitment process. She stated that she believed the Council's biggest challenge would be to think through what traits they would like a new City Manager to bring to the table. She believed that the recruitment would attract a very healthy applicant pool.

Mayor Olson thanked Ms. Boyer for her time and for her presentation. He invited Mr. Prothman to come forward.

Greg Prothman thanked the Mayor and Council for the opportunity to discuss his company's attributes and methods of recruiting top quality candidates. He referred to the booklet that had been distributed earlier to the City Council and advised that he would follow that format in his presentation. He advised that he had formed the Prothman Company some 13 years ago from his home in the Seattle area. Since that time, his firm had conducted over 450 searches. He advised that the firm handles governmental agency recruitments and has become well respected for its customer service, quality candidate pools, and knowledge of local government.

Mr. Prothman shared his background and advised that he had started his career as a Police Officer in Renton, Washington. From there, he became the Assistant City Manager then City Manager of the City of Des Moines, Washington. Following nine years at the City of Des Moines, he worked for a search firm before starting his own company. He reviewed the process that his firm uses in recruiting high quality candidates. He noted that although each recruitment may have similarities to another, none are the same. The recruitment has to fit with the community's needs.

He advised that for a City this size, he might do a national search for prospective candidates. He sends the position profile to city managers in eleven western states via direct mail. He advised that he does not use e-mail as a means of sending out the profile information because it is too easy for an e-mail to become "lost." He discussed his screening technique and the role of the City Council and other groups in the process. Additionally, he noted that he was very familiar with the candidate pool. He stated that he was a member of the Washington and Oregon City Manager Associations and the ICMA, and has interviewed over 1,500 semi-final city manager candidates.

Following a round of questions from the Mayor and City Council members, Mayor Olson thanked Mr. Prothman for his presentation.

Council discussion followed the two presentations. Strengths and limitations of the two firms were thoroughly discussed.

Councilor Hill MOVED to authorize the City Manager to enter into a contract with the Prothman Company for services related to the City Manager recruitment; SECONDED by Councilor Menke. Motion PASSED unanimously.

INVITATION TO CITIZENS FOR PUBLIC COMMENT: David Russ, 1008 SW 7th Street, Dundee, Oregon, introduced himself as a candidate for Yamhill County Commissioner. He noted that he is currently a Dundee City Councilor and Chair of Tourism for the City of Dundee. He advised that he was running a fiscally conservative campaign and would like people who support him to tell others about him.

- 2 PROCLAMATION - Arbor Week - April 7 - 13, 2014: Planning Director Montgomery informed the Mayor and City Council that this was the 17th year in a row that the City of McMinnville has been honored with the Tree City USA award. At the time of the first award, McMinnville was one of 30 cities in the state that carried the Tree City USA distinction. Today there are 57 cities across Oregon that are Tree City USA designees. He reviewed the standards that the City has to meet. He recognized Public Works Superintendent David Renshaw and his staff. City Manager Taylor stated that Planning and the Community Development Department share many responsibilities associated with being a Tree City USA member.

Mayor Olson asked Mr. Renshaw to come forward. Mayor Olson then read the proclamation into the record and presented the proclamation to him.

3. PROCLAMATION - Financial Literacy Month and Teach Children to Save Day: Mayor Olson recognized First Federal Savings & Loan Association representative Pam Watts. Ms. Watts stated that on behalf of First Federal and all of the community's bankers, she was pleased to announce that all were dedicated to helping teach children to save money while at a young age.

Mayor Olson read the proclamation into the record. He then presented it to Ms. Watts.

CONSIDER MINUTES: Councilor May MOVED to approve the minutes of the March 11, 2014 Dinner and Regular meetings as submitted; SECONDED by Councilor Ruden. Motion PASSED unanimously.

- 4 OLD BUSINESS

- 4 a TRANSPORTATION SYSTEM DEVELOPMENT CHARGE UPDATE AND CONTINUED COUNCIL DISCUSSION: Mayor Olson reminded the Council that this matter had been before them in a public hearing setting on March 25, 2014. Following close of the

public hearing, the consensus of the Council had been to continue Council discussion at the April 8, 2014 meeting. He asked if anyone wished to reopen the public hearing. By consensus, the Council determined that the public hearing should not be reopened.

Community Development Director Bisset referred to the materials that were included in the Council packets. He stated it was staff's recommendation that the Council direct staff to prepare a resolution adopting the Transportation System Development Charge (TSDC) Methodology Report, the updated TSDC eligible project list, and set a TSDC rate at an amount equal to \$1,426 per single-family residence. He asked that August 1, 2014 be set as the implementation date.

Councilor Jeffries stated that he was confused as to why staff was recommending what the Council should determine. He stated that he believed that this was really a public policy decision. The City had hired a consultant to help with this project and he was bothered by the fact that staff feels that they need to give a recommendation beyond that which the consultant made.

City Manager Taylor advised that the consultant works for the City and they are a piece of the information and they set out options for the City to consider. He advised that in addition to the consultant's report, the Council had heard from a number of citizens regarding the matter. He noted that the final decision was up to the City Council.

Mayor Olson agreed with City Manager Taylor's assessment and stated that staff recommendations were not out of the ordinary.

Community Development Director Bisset responded to Councilor Yoder's inquiry regarding single-family homes and advised that the change in methodology will make changes in different land use issues, especially since the current methodology greatly reduced the PM peak hours. This will make a more even field for all land uses based on traffic. The single-family comparator was the bar staff used to show what the rate will be. It will affect other land uses at a different rate - some will be higher and some lower.

Councilor May asked about the state surcharge. Mr. Bisset explained that with every building permit sold, there is a corresponding state surcharge added to the cost and sent to the state to administer the state building code. The percentage is the same for each but since the fees are different, the surcharges would also be different.

Responding to Councilor Menke, Mr. Bisset agreed that this (the PM peak hour methodology) was the methodology that had been reviewed and recommended by the Advisory Committee. Staff is also recommending adoption of this methodology.

Councilor Menke MOVED to approve the methodology, with particular emphasis on Option 4 of the McMinnville System Development Charge Methodology Report including the updated TSDC methodology; SECONDED by Councilor Hill.

Councilor May argued that the motion broke the pieces apart and if Council approved the methodology, they also approved the fee assessment.

Mayor Olson called for the vote. The motion PASSED by a majority vote. (NAY: May.)

Community Development Director Bisset asked the Council to set the rate for the TSDC.

During discussion on the rate setting topic, Councilors Ruden, Hill, and Menke agreed that an increase might have negative effects on the housing industry at this time. All three also agreed that the rates may need to be reviewed again in a year. Councilor Yoder noted that he had mixed emotions. He sympathized with the building community, yet McMinnville was well below the state average. He pointed out that the SDC money is not a fund raiser to support the entire transportation plan. He stated that he was in favor of staff's recommendation and that he was not ready for an increase on the TSDC fees for single-family residences.

Councilor Jeffries stated he sympathized with the builders, but they also had a responsibility. He felt this was the correct time to increase rates because the City does not want to kick the problem down the road. He stated that he was not convinced that the sale of single-family residences would be negatively impacted if the rates were increased.

Councilor May stated that this was certainly not the right time to go back to the builders to ask for more money. He asked if there was a way to defer the cost, such as at the closing of a home sale. He felt that the City could not go back to the "same well" for additional money.

Councilor Menke stated her sympathy for builders. She wondered about a graduated approach to the TSDC fees - or to perhaps address the matter again in a year. She pointed out that the City is also considering other options for funding transportation improvements.

Mayor Olson advised that he liked Councilors Hill and Menke's comments about addressing the issue again a year from now. He agreed that homebuilders have been through a very difficult time financially; however, he did not feel it would be acceptable to "kick the can" too far down the road. He opined that the industry needs to understand the increase is coming. He advised that he had come to the conclusion that the City will once again need to seriously revisit the TSDC issue next year.

Councilor Hill agreed and stated that if the City continues to "kick the can" down the road it will become more and more difficult to "catch up."

Discussion ensued regarding graduated increases and other SDC fees that might increase in the coming year or two. Following the discussion Councilor Hill MOVED to keep the rate structure as it is until the beginning of 2015 when the issue will be brought back before the City Council for further determination; SECONDED by Councilor Menke. Motion PASSED by a majority vote. (NAY: Jeffries and May.).

Community Development Director Bisset thanked the Council. He then asked for a decision regarding the project list. He explained that the project list includes those items that would include added capacity. He stated that a resolution would be brought back to the Council at a later date which would formalize the Council's decisions.

Councilor Ruden MOVED to approve the project list as submitted; SECONDED by Councilor Hill. Motion PASSED unanimously.

5 RESOLUTION

5 A INITIATING THE PROCEEDINGS AND SETTING A DATE AND TIME FOR A PUBLIC HEARING TO VACATE RIVERSIDE COURT NORTH OF RIVERSIDE DRIVE (RV 1-14): Community Development Director Bisset referred to the staff report, Exhibit A, and the draft resolution located in the Council packet. He explained that the subject of the vacation request was the right of way in which a street had never been constructed.

Councilor Menke MOVED to adopt Resolution No. 2014-8 initiating the proceedings and setting a date and time for a public hearing to vacate Riverside Court north of Riverside Drive (RV 1-14); SECONDED by Councilor Yoder. Motion PASSED unanimously.

6 ADVICE / INFORMATION ITEMS

6 a. REPORTS FROM COUNCILORS ON COMMITTEE AND BOARD ASSIGNMENTS: Each Councilor present gave a brief report.

6 b. DEPARTMENT HEAD REPORTS: Each Department Head present gave a brief report.

7. ADJOURNMENT: Mayor Olson adjourned the meeting at 9:14 p.m.

Rose A. Lorenzen, Recording Secretary